



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 13, 2010

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: Proposed Santa Barbara Tourism Business Improvement District

RECOMMENDATION: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Declaring Its Intention to Establish the Santa Barbara Tourism Business Improvement District (SBTBID) and Fixing the Time and Place of the Public Hearings Thereon and Giving Notice Thereof; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Requesting Consent of the Cities of Carpinteria and Goleta, and the County of Santa Barbara, to Create the Santa Barbara Tourism Business Improvement District.

DISCUSSION

EXECUTIVE SUMMARY

Lodging businesses throughout the Santa Barbara South Coast area have submitted petitions to the City of Santa Barbara City Clerk requesting formation of a Santa Barbara Tourism Business Improvement District ("SBTBID"). The SBTBID would be a new supplemental funding source for more effective tourism marketing programs. The proposed SBTBID would provide much needed supplemental funding for marketing efforts in the south coast area of Santa Barbara County, including the cities of Carpinteria, Goleta, and Santa Barbara, and nearby portions of Santa Barbara County. Adopting these resolutions would be the first step towards eventual SBTBID formation.

Background

The proposed SBTBID is a special benefit assessment district, which will be formed pursuant to the Property and Business Improvement District Law of 1994 (1994 Law). There are 49 districts of this type throughout California. A listing is attached. The purpose of the SBTBID is to increase tourism in the Santa Barbara South Coast area, by marketing it to potential visitors. The proposed SBTBID will provide funding for marketing efforts, working to attract visitors to lodging establishments throughout the south coast Santa Barbara area. Funding provided by the SBTBID would be supplemental to current funding of the Santa Barbara Conference and Visitors Bureau and Film Commission ("CVB").

Formation Process

To form the SBTBID, the formation proceedings specified in the 1994 Law must be followed, including accepting petitions, adopting a resolution declaring intention to form the district, holding public hearings to allow for comments, and adopting a resolution forming the district. The public hearings are proposed for July 27, 2010 and September 28, 2010, with adoption of the SBTBID on the date of the final public hearing.

In order to adopt the Resolution of Intention, the Council must receive signed petitions from lodging businesses representing more than fifty percent of the proposed assessment. The City Clerk has determined that petitions in support of the proposed SBTBID representing 58.62% of the proposed assessment have been received, in excess of the legal requirement of more than 50% of the proposed assessment. The Resolution of Intention declares the City Council's intent to form the SBTBID and sets the time and place for the two public hearings and directs the City Clerk to mail written notice of the time and place of the hearings to all affected lodging businesses located within the boundaries of the SBTBID.

The 1994 Law allows for the formation of multi-jurisdictional improvement districts, with consent of the included jurisdictions being granted to one "lead" jurisdiction. In this case, the City of Santa Barbara has agreed to act as the lead jurisdiction and by adopting the Resolution Requesting Consent will officially request consent from the cities of Carpinteria and Goleta, and the County of Santa Barbara, to include their jurisdictions (or portions thereof) in the proposed SBTBID. Each of those jurisdictions must grant consent in order for lodging businesses in their jurisdiction to be included in the SBTBID.

If the Council adopts the Resolution of Intention, the next step will be to hold a public hearing (called a public meeting in the 1994 Law). The Council will open the meeting for public comments, listen or receive all comments but will not take any action.

The second public hearing is currently scheduled for September 28, 2010. By the conclusion of this hearing, all protests to formation of the SBTBID must be received. If written protests are received (and not withdrawn in writing) from businesses owners in the proposed district which will pay fifty percent or more of the assessment proposed to be levied, no further proceedings to levy the assessment against such businesses shall be taken for a period of one year from the date of the majority protest.

If a majority protest is not received, the Council will determine whether to adopt the resolution of formation which levies the assessment and approval of the final management district plan (discussed below). The adoption of the resolution of formation and recordation of the notice and district map shall constitute the levy of the assessment for each of the five fiscal years of the term of the SBTBID.

Management District Plan

The 1994 Law requires creation of a management district plan, a guiding document for the district. A management district plan has been drafted and is attached in its current draft form. The plan may be amended in certain respects prior to its final adoption by the City Council. Staff contemplates that some changes in the plan may be necessary. Those changes include clarification of the administration fees, finalization of the SBTBID budget, finalization of the District map to clearly define the District boundaries and the identification and location of each business located within the SBTBID to be assessed, correction of the effective date of the SBTBID. The amount of assessment and boundary of the SBTBID, however, may not be changed. Key provisions of the management district plan are outlined below.

Assessment

If formed, the SBTBID will place an assessment on lodging businesses. The assessment rate varies from \$.50 per occupied room per night to \$2.00 per occupied room per night, based upon the average daily rate charged by each lodging business, as illustrated below. The assessment rate will be adjusted on an annual basis to reflect any changes in the prior years' average daily rates.

Average Daily Rate	Assessment Per Night
Less than \$100	\$0.50
Between \$100 and \$150	\$1.00
Over \$150 up to \$200	\$1.50
Over \$200	\$2.00

Governance

The SBTBID funds will be managed by a committee formed within the CVB. The committee will be composed of a diverse group of lodging property representatives, including representatives of four City of Santa Barbara lodging businesses. Each jurisdiction within the boundary of the SBTBID will be responsible for collecting the assessment from the affected businesses within its jurisdiction and remitting those assessments to the CVB. An administrative fee may be imposed by the jurisdiction to pay for the costs of collecting assessments and record keeping.

Term

The SBTBID will have a five-year term, unless terminated earlier. Business owners can petition for disestablishment of the district if they desire. The Santa Barbara City Council could also disestablish the SBTBID in certain cases of malfeasance or illegal activity. After five years, the petition and City Council approval process would have to be repeated to renew the SBTBID.

BUDGET/FINANCIAL INFORMATION

Adopting this resolution will have no immediate fiscal impacts. The proposed SBTBID, if formed, will work to bring visitors to the City, potentially increasing transient occupancy and sales tax revenues. Because the City will collect the SBTBID assessment from lodging businesses within its jurisdiction, it will be paid a fee equal to a percentage of the assessment collected. The amount of the City of Santa Barbara's fee is currently proposed at 3%. Prior to adoption of the final Management District Plan, this amount must be determined for each jurisdiction.

Adopting this resolution will have minor administrative impact. The City Clerk will be directed to forward a copy of the adopted Resolution Requesting Consent to the Clerk of the cities of Carpinteria and Goleta and the County of Santa Barbara. The City Clerk will also be required to mail notice of the public meeting and public hearing to all businesses proposed to be within the district. With eventual SBTBID adoption, the City Tax Collector will be responsible for collecting and disbursing the assessment funds, but the City will be reimbursed for any cost associated with assessment collection and disbursement.

The proposed SBTBID will have an overall positive impact on the City, increasing tourism and potentially raising both transient occupancy and sales taxes.

ATTACHMENTS: 1. Santa Barbara Tourism Business Improvement District
Management District Plan
2. California Tourism Business Improvement Districts

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SUBMITTED BY: Robert Samario, Interim Finance Director

APPROVED BY: City Administrator's Office



SANTA BARBARA TOURISM BUSINESS IMPROVEMENT DISTRICT MANAGEMENT DISTRICT PLAN

Submitted to the

Santa Barbara Conference & Visitors Bureau and Film Commission

March 8, 2010

by



SANTA BARBARA TOURISM BUSINESS IMPROVEMENT DISTRICT MANAGEMENT DISTRICT PLAN

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I. INTRODUCTION AND OVERVIEW

Developed by the Santa Barbara Conference & Visitors Bureau and Film Commission (SBCVB), the Santa Barbara Tourism Business Improvement District (SBTBID) is a benefit assessment district proposed to help fund marketing and sales promotion efforts for lodging businesses. This approach has been used successfully in other destination areas throughout the country to improve tourism and drive additional room nights.

Location: The Cities of Santa Barbara, Carpinteria, Goleta and portions of unincorporated southern Santa Barbara County (see map on page 7).

Services: Marketing and sales promotions to increase tourism and to market the commercial lodging properties located in the SBTBID as a tourist, meeting and event destination. These services are designed to benefit the commercial lodging businesses within the SBTBID boundaries.

Budget: The total SBTBID budget for year one of its five (5) year operation is a base of approximately \$1,820,000.

Cost: The annual assessment rate for the first year of operation is as follows: lodging businesses with an average daily rate (ADR) of under \$100 shall be assessed \$0.50 per occupied room per night, lodging businesses with an ADR between \$100 and \$150 shall be assessed \$1.00 per occupied room per night, lodging businesses with an ADR over \$150 and up to \$200 shall be assessed \$1.50 per occupied room per night and lodging businesses with an ADR over \$200 shall be assessed \$2.00 per occupied room per night. Lodging properties with 3 or less units shall be exempt from the assessment. Any person who exercises occupancy for 30 consecutive days or less shall be assessed. Based on the benefit received, assessments will not be collected on lodging stays of more than 30 consecutive days, federal government employees on government business, and stays at time shares. Assessments pursuant to the SBTBID shall not include room nights resulting from stays pursuant to contracts executed prior to August 1, 2010. The ADR figures shall be updated annually.

Name: Santa Barbara Tourism Business Improvement District.

Formation: TBID formation requires submittal of petitions from lodging businesses representing more than 50% of the total annual assessment followed by a City Council hearing and an opportunity for a written protest. The assessed lodging business owners will receive notice of the public meeting and the public hearing by mail. If there is a majority written protest, the TBID will not be formed. In addition, prior to the City Council hearing, the cities of Carpinteria, Goleta and the County will consider resolutions of consent to the City of Santa Barbara to form the TBID.

Duration: The proposed SBTBID will have a five-year life. The SBTBID assessment will be implemented beginning August 1, 2010 and will be in effect for five years. After five years, the petition and City Council hearing process must be repeated for the SBTBID to be renewed. Also, once per year there is a 30 day period in which owners paying more than 50% of the assessment may protest and terminate the district.

II. WHY A TOURISM BUSINESS IMPROVEMENT DISTRICT?

There are several reasons why now is the right time to form a TBID; the most compelling reasons are as follows:

1. The Need to Increase Occupancy

The formation of the SBTBID is a proactive effort to provide supplemental funding beyond that provided by the Cities of Santa Barbara, Carpinteria, and Goleta, and the County of Santa Barbara. The funding ensures the SBCVB has adequate financing for the investment required to increase occupancy in the lodging industry and reach competitive in the conference segment of the tourism market. The investment will cover an expanded marketing and promotional budget needed to reach this market segment.

2. An Opportunity for Increasing Tax Revenues

As occupancy rates increase, so too will the TOT revenues. With stable public/private funding for the SBCVB, annual occupancy rates should increase significantly as the new marketing and sales promotion programs are implemented. Greater occupancy will also produce an increase in sales tax revenues from tourist spending. This represents a substantial return. The formation of a SBTBID in partnership with the SBCVB creates a stable funding source tied directly to tourism promotion

3. The Ability to Grow the Economy without Substantial Development

The SBCVB expects to achieve the above levels of revenue growth without a proportionate increase in the “footprint” of the tourism industry infrastructure. Little or no development should be required to raise average occupancy rates. Any development required to raise occupancy rates even more should be relatively minor in scope compared to the existing facilities.

4. An Opportunity to Unite the Lodging Community

The formation of a BID can unite the local lodging community around mutual goals for the community. The BID is an opportunity for the SBCVB and the lodging industry to work together to grow marketing resources for Santa Barbara.

5. Funds are Dedicated to a Specific Purpose

Unlike other sources of funding, monies collected through a tourism BID can only be used for the specific uses set out in this plan. This allows the Board of Directors to choose goals and services that specifically fit the area and benefits the lodging community as a whole, while knowing that these funds will be dedicated to achieving these goals.

III. WHAT IS A TOURISM BUSINESS IMPROVEMENT DISTRICT?

Tourism Business Improvement Districts (TBIDs) utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TBIDs allow lodging and tourism-related business owners to organize their efforts to increase tourism. Tourism-related business owners within the district fund a TBID, and those funds are used to provide services that the businesses desire and that benefit the lodging businesses within the District.

TBID services may include, but are not limited to:

- Marketing of the Area
- Tourism Promotion Activities
- Sales Lead Generation

In California, Tourism BIDs are formed pursuant to the Property and Business Improvement District Law of 1994 (PBID Law). This law allow for the creation of a special benefit assessment district to raise funds within a specific geographic area. *The key difference between TBIDs and other special benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TBIDs:

- Funds cannot be diverted for other government programs;
- TBIDs are customized to fit the needs of each tourism district;
- They allow for a wide range of services, including those listed above;
- TBIDs are *designed, created and governed by those who will pay* the assessment;
- The statute requires petition support from lodging businesses paying over 50% of the annual proposed assessments;
- They provide a stable funding source for tourism promotion.

The Property and Business Improvement District Law of 1994 (AB 3754), as amended through January 1, 2010, is provided in Appendix 1 of this document.

IV. SANTA BARBARA TBID BOUNDARY

The SBTBID will include all commercial lodging businesses with more than three units available for public occupancy within the boundaries of the Cities of Santa Barbara, Carpinteria, and Goleta, and portions of unincorporated southern Santa Barbara County (See Map). The boundaries of the district can be more particularly described as: Refugio Road being the western boundary, the Santa Barbara/Ventura County line being the eastern boundary, the Pacific Ocean being the southern boundary, and Camino Cielo / Juncal Road being the northern boundary.

Please see the map on the following page. A larger copy of this map can be obtained by calling (916)325-0604 or (800)999-7781.



V. SERVICE PLAN AND BUDGET

A. Assessment

The SBTBID will include all commercial lodging business with more than three units, existing or in the future, available for public occupancy within the boundaries of the Cities of Santa Barbara, Carpinteria, and Goleta, and portions of unincorporated southern Santa Barbara County (See Map). The annual assessment rate for the first year of operation is as follows: lodging businesses with an average daily rate (ADR) of under \$100 shall be assessed \$0.50 per occupied room per night, lodging businesses with an ADR between \$100 and \$150 shall be assessed \$1.00 per occupied room per night, lodging businesses with an ADR over \$150 and up to \$200 shall be assessed \$1.50 per occupied room per night and lodging businesses with an ADR over \$200 shall be assessed \$2.00 per occupied room per night. Lodging properties with 3 or less units shall be exempt from the assessment. Any person who exercises occupancy for 30 consecutive days or less shall be assessed. Based on the benefit received, assessments will not be collected on lodging stays of more than 30 consecutive days, federal government employees on government business, and stays at time shares. Assessments pursuant to the SBTBID shall not include room nights resulting from stays pursuant to contracts executed prior to August 1, 2010. The ADR figures shall be updated annually.

Bonds will not be issued.

The amount of assessment, if passed on to each transient, shall be separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business.

B. Determination of Special Benefit

State law provides that the expenses of the district shall be apportioned in proportion to the benefit received by assessed businesses.

A special benefit is defined as a particular and distinct benefit over and above general benefits conferred on the public at large. Conversely, a general benefit is a benefit to businesses in the surrounding community or a benefit to the public in general resulting from the improvement, activity or service to be provided by the assessment levied. Many general benefits to the public at large are conveyed by municipal services, such as fire protection, police services and public transit services. These services are targeted to serve the public at large and do not confer special benefits on particular businesses.

The services in this Management District Plan are designed to provide targeted services to the assessed lodging businesses. These services are tailored not to serve the general public, but rather to serve the specific lodging businesses within the District, e.g., the proposed activities are specifically targeted to increase room nights for assessed lodging businesses within the boundaries of the District, and are narrowly tailored. For example, only the assessed lodging businesses will receive sales leads from the sales efforts paid for with TBID monies. In addition, listing on

websites and collateral materials *paid for with TBID monies* will only include the assessed businesses.

The activities paid for from assessment revenue are lodging business services creating special benefit to those businesses. In addition, these activities are not for the benefit of the general public and do not provide general benefit as defined above. All general benefits (if any) to the surrounding community and general public are intangible and unquantifiable. It is appropriate that these special business-related benefits be funded through business assessments.

C. Time and Manner for Collecting Assessments

The SBTBID assessment will be implemented beginning August 1, 2010 and will continue for five years. Each jurisdiction will be responsible for collecting the assessment (including any delinquencies, penalties and interest) from each of the lodging businesses located in the boundaries of the TBID. Each commercial lodging operator shall report and remit the TBID assessments to its jurisdiction.

Each jurisdiction shall forward the assessments to the SBCVB which will have the responsibility of managing TBID programs as provided in this Management District Plan. Jurisdictions may charge a fee of no more than 1% (one percent) of the budget to cover its administrative expenses.

All penalties and interest shall be charged at the same rates as those provided by the Santa Barbara Transient Occupancy Tax, Santa Barbara Municipal Code Title 4, Chapter 4.08.

D. Service Plan Budget and Programs to be Provided:

Service Plan Budget Summary- Fiscal Years 2010-2015

The summary of the fiscal year 2010-2011 (year one) service plan budget for the SBTBID is provided below. The total five year improvement and service plan budget is projected at approximately \$1,820,000 annually.

The assessments collected will fund the marketing efforts to generate room nights at the participating hotels. The marketing budget will include:

- Sales and Marketing
- Communications and Advertising
- Administration and Advocacy

Additionally, jurisdictions may charge a fee of no more than 1% (one percent) of the total assessment for administrative expenses.

E. Annual Service Plan:

A service plan budget has been developed to deliver service levels throughout the District. An annual service plan and budget will be developed by the TBID Committee of the SBCVB Board.

Please see the budget exhibit below. The budget also includes a portion for contingencies and renewal of the District. Should the SBCVB Board approve, funds may be appropriated for the renewal effort. If there are funds remaining at the end of the District term and lodging businesses choose to renew, these remaining funds could be transferred to the renewed District. If there are funds remaining at the end of the District and lodging businesses choose not to renew, any remaining funds will be spent consistent with this Plan.

This service plan will only include lodging businesses that are participating in the SBTBID.

SANTA BARBARA TBID
Annual Budget, Years One - Five

Services Provided	Descriptions	Total
SALES and MARKETING		\$ 186,550
	Sales and Marketing programs and activities will be designed to attract overnight groups. These activities may include: <ul style="list-style-type: none"> • Sales Missions • Trade Shows • Sales Calls • International Representation 	
ADVERTISING and COMMUNICATION		\$1,433,250
	Advertising and Communication activities will build greater awareness of the participating lodging businesses. These activities may include: <ul style="list-style-type: none"> • Trade Promotion • Online Advertising • Trade Advertising 	
ADMINISTRATION and ADVOCACY		\$ 182,000
Collection Administration Fee (Not to exceed 1%)		\$18,200
Total Tourism District Annual Budget		\$1,820,000.00

VI. BID GOVERNANCE

A. Santa Barbara TBID Corporation Governance

The SBCVB shall serve as the Owners' Association for the SBTBID. The President and CEO of the SBCVB shall be charged with the day-to-day operations of the TBID. There shall be a TBID sub-committee charged with developing budgets and priorities for the TBID. The TBID committee shall be comprised of a diverse group taking into consideration the size of lodging properties and geographic area.

B. Brown Act and California Public Records Act Compliance

The Owner's Association of a TBID is considered a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the SBCVB board must be held in compliance with the public notice and other requirements of the Brown Act. The Owner's Association is also subject to the record keeping requirements of the California Public Records Act.

C. Annual Report

The SBCVB board shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1).

APPENDIX 1 – THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994 STREETS AND HIGHWAYS CODE Division 18. Parking

*** THIS DOCUMENT IS CURRENT THROUGH 2009-2010 EXTRAORDINARY SESSIONS 1-5, ***
AND 7, AND URGENCY LEGISLATION THROUGH CH 4 OF THE 2010 REGULAR SESSION

§ 36600. Citation of part

This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994."

§ 36601. Legislative findings and declarations

The Legislature finds and declares all of the following:

(a) Businesses located and operating within the business districts of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of the business districts of its cities in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow cities to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that benefits from those improvements.

(d) Assessments levied for the purpose of providing improvements and promoting activities that benefit real property or businesses are not taxes for the general benefit of a city, but are assessments for the improvements and activities which confer special benefits upon the real property or businesses for which the improvements and activities are provided.

§ 36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within a business improvement area. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

§ 36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

§ 36603.5. Part prevails over conflicting provisions

Any provision in this part that conflicts with any other provision of law shall prevail over the other provision of law.

§ 36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

§ 36605. [Section repealed 2001.]

§ 36606. "Assessment"

"Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and promoting activities which will benefit the properties or businesses located within a property and business improvement district.

§ 36607. "Business"

"Business" means all types of businesses and includes financial institutions and professions.

§ 36608. "City"

"City" means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with *Section 6500*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*, the public member agencies of which includes only cities, counties, or a city and county.

§ 36609. "City council"

"City council" means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

§ 36610. 'Improvement'

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

§ 36611. "Property and business improvement district"; "District"

"Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

§ 36612. "Property"

"Property" means real property situated within a district.

§ 36613. "Activities"

"Activities" means, but is not limited to, all of the following:

- (a) Promotion of public events which benefit businesses or real property in the district.
- (b) Furnishing of music in any public place within the district.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.

(f) Activities which benefit businesses and real property located in the district.

§ 36614. "Management district plan"; "Plan"

"Management district plan" or "plan" means a proposal as defined in Section 36622.

§ 36614.5. "Owners' association"

"Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of *Part 1 of Division 2 of Title 5 of the Government Code*), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with *Section 6250*) of *Division 7 of Title 1 of the Government Code*), for all documents relating to activities of the district.

§ 36615. "Property owner"; "Owner"

"Property owner" or "owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. The city council has no obligation to obtain other information as to the ownership of land, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this subdivision requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient.

§ 36616. "Tenant"

"Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

§ 36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

§ 36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

§ 36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

§ 36621. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

§ 36622. Contents of management district plan

The management district plan shall contain all of the following:

(a) A map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and businesses included. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof.

(e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof, including operation and maintenance. The plan may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.

(I) Any other item or matter required to be incorporated therein by the city council.

§ 36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with *Section 53753 of the Government Code*.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with *Section 54954.6 of the Government Code*, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business. A written protest which does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners of businesses in the proposed district which will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

§ 36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements or activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

§ 36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish the proposed property and business improvement district, the city council shall adopt a resolution of formation that shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement about whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need

to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties or businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements and activities to be provided in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements and activities funded by the assessments proposed to be levied.

(b) The adoption of the resolution of formation and recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

§ 36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in paragraphs (1) to (8), inclusive, of subdivision (b) of Section 36625, but need not contain information about the preliminary resolution if none has been adopted.

§ 36626.5. [Section repealed 1999.]

§ 36626.6. [Section repealed 1999.]

§ 36626.7. [Section repealed 1999.]

§ 36627. Notice and assessment diagram

Following adoption of the resolution establishing the district pursuant to Section 36625 or 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. If the assessment is levied on businesses, the text of the recorded notice shall be modified to reflect that the assessment will be levied on businesses, or specified categories of businesses,

within the area of the district. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

§ 36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

§ 36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements and activities.

§ 36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a parking and business improvement area.

§ 36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and a new district established pursuant to this part.

§ 36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution establishing the management district plan described in Section 36622. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part shall be charged interest and penalties.

§ 36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

§ 36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

§ 36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

§ 36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

§ 36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention; Modification of improvements and activities by adoption of resolution after public hearing

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623 . Notice

of all other public meetings and public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public meeting.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public meeting, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

§ 36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

§ 36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with *Section 6584*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

§ 36641. [Section repealed 2001.]

§ 36642. [Section repealed 2001.]

§ 36643. [Section repealed 2001.]

§ 36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements and the activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

§ 36651. Designation of owners' association to provide improvements and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements or activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

§ 36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

§ 36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesseses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners of real property or of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal

to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

§ 36671. Refund of remaining revenues upon disestablishment of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – LODGING BUSINESSES TO BE ASSESSED WITHIN THE SBTBID:

Carpinteria

Best Western Carpinteria Inn
Motel 6
Motel 6
Holiday Inn Express Hotel & Suites
Sandyland Reef Inn
Sunset Shores Condominiums
Casa Del Sol Motel
Prufrock's Garden Inn by the Beach

County of Santa Barbara

Four Seasons Resort The Biltmore Santa Barbara
El Capitan Canyon
Ramada Limited
Extended Stay America
San Ysidro Ranch, a Rosewood Resort
Rancho Oso Guest Ranch & Stables
Circle Bar B Guest Ranch and Stables
Inn on Summer Hill
Summerland Inn
Ivanhoe Inn

Goleta

Bacara Resort & Spa
Holiday Inn Santa Barbara / Goleta
Best Western South Coast Inn
Hampton Inn, Goleta
Motel 6
Pacifica Suites Santa Barbara
Super 8 Motel

Santa Barbara

Fess Parker's DoubleTree Resort
Hotel Mar Monte
Hotel Oceana
Harbor View Inn
Sandman Inn, The
Canary Hotel

Lemon Tree Inn
El Encanto Hotel
Hotel Santa Barbara
Santa Barbara Inn
El Prado Inn
Holiday Inn Express - Hotel Virginia
Montecito Inn
Best Western Beachside Inn
Motel 6
Franciscan Inn
Motel 6
Upham Hotel and Country House, The
Hotel State Street
West Beach Inn
Avania Inn
Mason Beach Inn
Orange Tree Inn
Cabrillo Inn at the Beach
Hacienda Motel
Quality Inn
Guest House Inn
Marina Beach Motel
Inn at East Beach
Eagle Inn
Coast Village Inn
Pacific Crest Inn By The Sea
Fiesta Inn & Suites
Inn of the Spanish Garden
Town & Country Inn
Casa Del Mar Inn
Castillo Inn
Villa Rosa Inn
Sunset Motel/ Town & Country Inn
Harbor House Inn
Cheshire Cat Inn and Cottages
Presidio Motel
Hope Ranch Motel
Simpson House Inn
Holiday Lodge

Travelers Motel
Old Yacht Club Inn
Beach House Inn and Apartments
Bath Street Inn Bed & Breakfast
A White Jasmine Inn
Santa Barbara Tourist Hostel
Blue Sands Motel
Secret Garden Inn & Cottages

The Orchid Inn at Santa Barbara Bed &
Breakfast
Casa Mina
Villa Elegante
James House Santa Barbara
Goodfriend Inn



California Tourism Business Improvement Districts

<i>District</i>	<i>Annual Total</i>	<i>Assessment Rates</i>	<i>Programs Funded</i>	<i>Year Approved</i>	<i>Enabling Statute</i>	<i>Approval Mechanism</i>
Carlsbad CVB	\$874,000	\$1.00 per occupied room per night	Tourism Promotion	2005	'89	Majority Protest
Claremont	\$175,000	2% of gross room rental revenue	Tourism promotion	2009	'94	Affirmative Petition Majority Protest
Chula Vista	\$650,000	2.5% of gross room rental revenue	Tourism Promotion & Capital Improvements	2009	'94	Affirmative Petition Majority Protest
Costa Mesa	\$1.1 Million	2% of gross room rental revenue	Promotion of Meeting & Group Business, State Associations, & Leisure Travel	1995	'89	Majority Protest
Dana Point	\$1 Million	\$3.00 per occupied room night	Tourism Promotion	2009	'89	Affirmative Petition Majority Protest

<i>District</i>	<i>Annual Total</i>	<i>Assessment Rates</i>	<i>Programs Funded</i>	<i>Year Approved</i>	<i>Enabling Statute</i>	<i>Approval Mechanism</i>
Davis (Yolo County Conference & Visitors Bureau)	\$95,000	1% of gross room rental revenue	Tourism Promotion & Joint funding of the Yolo County Visitors Bureau	2000	'89	Majority Protest
Fairfield	\$400,000	2% of gross room rental revenue	Tourism Promotion & California Welcome Center	2005	'89	Majority Protest
Folsom	\$160,000	2% of gross room rental revenue	Tourism Marketing Program	2002	Local Ordinance Based on '94	Petition, Majority Protest
Huntington Beach	\$800,000	1% of gross room rental revenue	Tourism Marketing and Promotion	2002	'89	Majority Protest
Laguna Beach	\$950,000	2% of gross room rental revenue	Tourism Promotion	2001	'89	Majority Protest
Lodi	\$156,000	3% of gross room rental revenue	Tourism Promotion	2004	'89	Majority Protest
Long Beach	\$3 Million	3% of gross short term room rental	Tourism Marketing and Promotion	2005	'89	Majority Protest

<i>District</i>	<i>Annual Total</i>	<i>Assessment Rates</i>	<i>Programs Funded</i>	<i>Year Approved</i>	<i>Enabling Statute</i>	<i>Approval Mechanism</i>
Madera County	\$400,000	2.0% of gross room rental revenue	Tourism Marketing and Promotion	2009	'94	Petition, Majority Protest
Marin County (9 Cities and County)	\$660,000	1% of gross room rental revenue	Tourism Promotion & Destination Marketing	2004	'89	Majority Protest
Mariposa County	\$920,000	1.0% of gross short term (stays less than 30 days) room rental revenue per night	Tourism Promotion & Marketing	2008	'94	Affirmative Petition, Majority Protest
Mendocino County (County and 4 Cities)	\$550,000	1% of gross room rental revenue	Tourism Promotion and Marketing	2006	'89	Majority Protest
Monterey County	\$2,200,000	\$1.00 per occupied room per night for full service; \$0.50 per occupied room per night for limited service as defined by Smith Travel Research.	Tourism Promotion and Marketing	2006	'89	Majority Protest
Morro Bay	\$500,000	3% of gross room rental revenue	Tourism Promotion	2009	'89	Majority Protest
Napa Valley	\$4,000,000	2% of gross room rental revenue	Tourism Promotion	2010	'94	Affirmative Petition, Majority Protest

<i>District</i>	<i>Annual Total</i>	<i>Assessment Rates</i>	<i>Programs Funded</i>	<i>Year Approved</i>	<i>Enabling Statute</i>	<i>Approval Mechanism</i>
Newport Beach	\$1.7 Million	2% of gross room rental revenue	Tourism Promotion	2009	'94	Majority Protest
Oceanside	\$472,500	1.5% gross room rental revenue	Tourism Marketing	2010	'94	Affirmative Petition, Majority Protest
Pacific Grove	\$130,000	\$1.50 per occupied room per night for full service; \$1.00 per occupied room per night for limited service as defined by Smith Travel Research.	Tourism Promotion and Physical Improvements	2007	'89	Majority Protest
Palm Springs (9 Cities)	\$7.6 Million	2% of gross room rental revenue	Tourism Promotion	2008	'89	Majority Protest
Pasadena	\$2.4 Million	2.89% of gross room rental revenue	Conference Center Expansion	2003	'89	Majority Protest
Paso Robles	\$500,000	2.0% of gross room rental revenue	Promotion of Tourism	2008	'89	Majority Protest
Pismo Beach	\$600,000	1.0% of gross room rental revenue	Tourism Marketing	2009	'89	Majority Protest
Placer Valley (3 Cities)	\$380,000	\$1.50 - \$1.00 per occupied room per night	Sports Tourism Promotion	2003	'89	Majority Protest

<i>District</i>	<i>Annual Total</i>	<i>Assessment Rates</i>	<i>Programs Funded</i>	<i>Year Approved</i>	<i>Enabling Statute</i>	<i>Approval Mechanism</i>
Redding City	\$380,000	1% of gross room rental revenue	Tourism Promotion	2008	'94	Affirmative Petition, Majority Protest
Redding Hilltop	\$295,000	1.5% of gross room rental revenue	Streetscape Improvements (providing matching dollars)	2005	'94	Affirmative Petition, Majority Protest
Sacramento (3 Cities and County)	\$3.2 Million	\$1.50 - \$0.20 per occupied room per day (based on zones and annual revenue)	Convention & Trade Show Recruitment, Tourism Marketing & Destination Development	2000	'89	Majority Protest
San Diego	\$25 million	2% of gross room revenue	Tourism Promotion & Marketing	2007	Local Ordinance Based on '94	Majority Protest, Ordinance, Petition, Ballot
San Francisco	\$27 million (2/3 to Marketing/Sales and 1/3 to Moscone Center)	Zone 1 : 1.5% of gross room revenue in years 1-5; 1.0% of gross room revenue in years 6 -15. Zone 2 : 1% of gross room revenue in years 1 -5; .75% of gross room revenue in years 6-15.	Tourism Marketing & Services/ Moscone Center Improvements	2008	Local Ordinance Based on '94	Affirmative Petition, Ballot, Majority Protest
San Jose CVB	\$1,500,000	\$0.75 - \$2.00 per occupied room per day (based on zone)	Tourism Promotion	2006	'89	Majority Protest
San Luis Obispo (City)	\$950,000	2% of gross room rental revenue	Tourism Promotion	2008	'89	Majority Protest

<i>District</i>	<i>Annual Total</i>	<i>Assessment Rates</i>	<i>Programs Funded</i>	<i>Year Approved</i>	<i>Enabling Statute</i>	<i>Approval Mechanism</i>
San Luis Obispo County	\$90,000	2% of gross room rental revenue	Tourism Promotion	2009	'89	Majority Protest
San Mateo (11 Cities and County)	\$2.1 Million	\$1.00 - \$0.15 per occupied room per night (based on no. of rooms and meeting space)	Tourism Promotion	2001	'89	Majority Protest
Santa Clara	\$600,000	\$1.00 per occupied room per night	Tourism Promotion	2004	'89	Majority Protest
Santa Cruz County	\$1,140,000	\$1.00 or \$1.50 per occupied room per night	Tourism Promotion	2010	'94	Affirmative Petition, Majority Protest
Santa Ynez Valley	\$600,000	\$2.00 per occupied room per night	Tourism promotion	2010	'94	Affirmative Petition, Majority Protest
Sonoma (7 Cities and County)	More than \$2 Million	2% of gross room rental revenue (hotels with over \$350,00 in revenue)	Tourism Promotion	2004	'89	Majority Protest
South Lake Tahoe	\$1,800,000	\$3.00 per occupied room per night for hotels/motels; \$4.50 per occupied room per night for timeshares, condos, triplexes, duplexes and homes under property management.	Tourism Promotion	2006	'94	Affirmative Petition, Majority Protest

<i>District</i>	<i>Annual Total</i>	<i>Assessment Rates</i>	<i>Programs Funded</i>	<i>Year Approved</i>	<i>Enabling Statute</i>	<i>Approval Mechanism</i>
Stockton	\$500,000	2% of gross room rental revenue	Tourism Promotion	2007	'89	Majority Protest
Temecula CVB	\$430,000	2% of gross room rental revenue	Tourism Promotion	2005	'89	Majority Protest
Tiburon	\$44,000	1% of gross room rental revenue	Tourism Promotion	2007	'89	Majority Protest
Torrance	\$500,000	1% of gross room rental revenue	Tourism Promotion	2010	'94	Affirmative Petition, Majority Protest
Tri-Valley CVB	\$1,520,000	\$1.00 per occupied room per night on lodging businesses of 35 rooms or more	Tourism Promotion	2005	'94	Affirmative Petition, Majority Protest
Vallejo	\$300,000	\$1.00 - \$0.50 per occupied room per night (based on no. of rooms)	Tourism Marketing	2003	'89	Majority Protest
West Hollywood	\$1.1 Million	1.5% of gross room rental revenue	Tourism Promotion	1992	'89	Majority Protest

<i>District</i>	<i>Annual Total</i>	<i>Assessment Rates</i>	<i>Programs Funded</i>	<i>Year Approved</i>	<i>Enabling Statute</i>	<i>Approval Mechanism</i>
Woodland (Yolo County Conference & Visitors Bureau)	\$60,000	1% of gross room rental revenue	Tourism Promotion & Joint funding of the Yolo County Visitors Bureau	2004	'89	Majority Protest

Considering or Forming Tourism Business Improvement Districts:

Anaheim
Burbank
Del Mar
Lake Arrowhead
Los Angeles
Manteca
Orange County
Rancho Cordova
Santa Barbara
Santa Rosa
Shasta County
Stockton (89-94 conversion)
Temecula (Wine Country)
Vacaville
West Sacramento

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